



## U.S. Department of Justice

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### **CHICAGO MAN INDICTED FOR EMBEZZLING \$104,683 FROM CONSTRUCTION PROJECT FOR CHILDRENS CAMP**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

A federal grand jury in Rockford yesterday (June 21, 2005) indicted **PHILIP E. RICHARDSON**, of Chicago, for five counts of mail fraud resulting from a scheme between April 2000 and April 2001 to embezzle \$104,683 from a non-profit organization.

The indictment alleges that Richardson, an officer and sole shareholder of Richardson Organization, Ltd., an Illinois corporation engaged in real estate and construction activities, agreed to manage the construction of a building project for Lutheran Outdoor Ministries Center (“LOMC”), a non-profit corporation which operated a children’s camp near Oregon, Illinois. According to the indictment, Richardson obtained payments for subcontractors from LOMC based on invoices which falsely inflated the amounts due to certain subcontractors. The indictment further alleges Richardson falsely endorsed LOMC checks made payable to a subcontractor and deposited the checks into the Richardson Organization bank account. In addition, the indictment alleges that Richardson failed to fully pay certain subcontractors, and used money from LOMC for personal and business purposes unrelated to the project.

Each the five counts of mail fraud carries a maximum sentence of up to twenty years of imprisonment, and a fine of up to \$250,000. If Richardson is convicted, his actual sentence will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

Richardson is scheduled to make his initial appearance in federal court on Monday, June 27, 2005, at 10:30 a.m. At that time, United States Magistrate Judge P. Michael Mahoney will arraign Richardson on the charges contained in the indictment.

The case is being investigated by the Rockford offices of the FBI. The case will be prosecuted in federal court by Assistant United States Attorney Michael D. Love.

Members of the public are reminded that an indictment is only a charge and is not evidence of guilt. The defendant is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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